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STATE OF DELAWARE **DEPARTMENT OF STATE**

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DIVISION OF PROFESSIONAL REGULATION

PUBLIC MEETING MINUTES: DELAWARE REAL ESTATE COMMISSION

SUBCOMMITTEE TO REVIEW STATUTE REVISIONS

MEETING DATE AND TIME: Tuesday, February 2, 2010 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Public Service Commission Hearing Room

First floor of the Cannon Building

MINUTES APPROVED: March 18, 2010

MEMBERS PRESENT

Christopher J. Whitfield Ricky H. Allamong Andy Staton

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Eileen Heeney, Deputy Attorney General Gayle Melvin, Administrative Specialist III

ALSO PRESENT

Vincent White

Andy Taylor

Charlotte Herbert

J. David Villabona

James Kelly

Glenn Watson

Wade Wilson

Dave Wilson

Dan Kauffman

Jordan Gorsch

Jamie Hudson

Scott Rogers

Lauren Foster

Corey Hill

John Hay

Erika Fields

Debby Coughlan

Delaware Real Estate Commission Subcommittee to Review Statute Revisions Minutes – February 2, 2010 Page 2

Kristin Coughlan Chris Schell **Howard Fortunato** Jon Long Jeffrey Schwartz Steven Bomberger Jennifer Casev Mark Grahne Fred Fortunato Dan Martelli Jonda Ashburn Keith Adams **Dottie Fawatt** Melissa O'Neill **Brain White** Kevin Hensley Several names on the sign-in sheet were not legible

CALL TO ORDER

Mr. Whitfield called the meeting to order at 9:10 a.m.

REVIEW OF MINUTES

The Subcommittee reviewed the minutes from the January 5, 2010 meeting. A motion was made by Mr. Allamong, seconded by Mr. Staton to approve the minutes. The motion passed unanimously.

REVIEW OF STATUTE REVISIONS

Discussion: Licensing of Auctioneers

Mr. Staton gave an update on auctioneers. He reported that an association has been established and the Board of Directors has been elected. Their next meeting is scheduled for February 23rd. The Association's desire is to have a separate board or commission. Mr. Staton submitted proposed statute language for members to review which provided for an exemption for auctioneers. A discussion was held on the exemption with regard to having a real estate license and conducting an auction. The Subcommittee will need to decide whether to proceed with or without the exemption. Mr. Villabona provided members with a copy of the Uniform Auction and Auctioneer Licensing Act from the National Auctioneers Association. The Delaware Auctioneers Association will use this model when developing their law and licensure requirements.

A break was taken from 10:07 a.m. to 10:22 a.m.

<u>Discussion: Licensing of Property Managers</u>

The Subcommittee is in the process of reviewing the draft of a new Chapter 56 submitted by Mr. Morton at the last meeting. It still needs to be determined whether this should be a separate chapter or a subsection under the Commission's statute. Mr. Whitfield will be discussing this issue with Mr. Collins.

Delaware Real Estate Commission Subcommittee to Review Statute Revisions Minutes – February 2, 2010 Page 3

Discussion: Builder Licensing

Mr. Allamong reported that he had met with Jennifer Casey of the Delaware Home Builders Association and provided her with a draft of a proposed new Subsection III New Home Sales. He provided Subcommittee members with a copy and reviewed the draft for the public. The proposed draft would require registration in lieu of a license.

Ms. Casey provided Subcommittee members with a copy of a letter dated February 2nd outlining the Home Builders Association's opposition. She then read the letter. A dialog occurred between the Subcommittee members and members of the public about various issues. The issues included protection of the public, a home builder being able to sell their own homes, restriction of trade, private property rights, disclosure, complaints, builders listing their homes through real estate agents in TREND and how the public is mislead, and the expense to builders for registration.

Mr. Bomberger requested that the minutes from the last meeting be amended to include a statement made by a Subcommittee member about being cheated out of a commission by a builder. This statement was made in a discussion about how a transaction was handled. The Subcommittee did not feel that the minutes needed to be amended because they are an overview, not verbatim minutes.

Ms. Herbert reported that the Kent County Association of Realtors endorses builder licensing and Sussex County Association of Realtors endorses a modified version. She submitted a letter from the New Castle Board of Realtors to the Delaware Association of Realtors stating that their Board of Directors does not support the DAR taking a public position on non-REALTOR licensing at this time. She also reported that the Delaware Association of Realtors takes no position.

Mr. Taylor explained about the Real Estate Commission being under Sunset Review several years ago and this Subcommittee was established to address the recommendations from that Joint Sunset Committee. Mr. Whitfield reported that he was recently notified by Mr. Collins that the Real Estate Commission will be under Sunset Review again in the coming year. This will be on the Real Estate Commission's agenda for discussion at the March meeting.

OTHER BUSINESS BEFORE THE SUBCOMMITTEE (for discussion only)

There was no other business before the Subcommittee.

PUBLIC COMMENT

There was no other public comment at this meeting.

NEXT SCHEDULED MEETING

The next meeting was scheduled for March 18, 2010 at 9:00 a.m.

Delaware Real Estate Commission Subcommittee to Review Statute Revisions Minutes – February 2, 2010 Page 4

ADJOURNMENT

A motion was made by Mr. Allamong, seconded by Mr. Staton to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 12:30 a.m.

Respectfully submitted,

Gayle L. Melvin

Administrative Specialist III